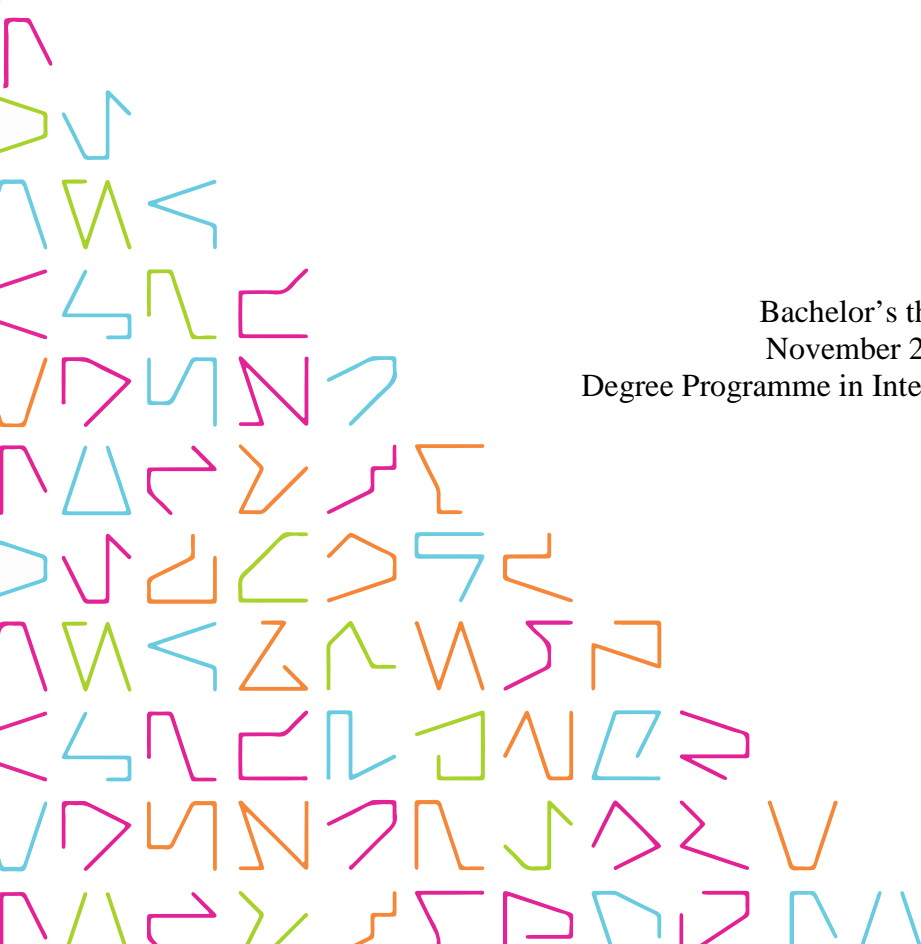


DEVELOPMENT OF CUSTOMER SERVICE AND CONSUMER EXPERI- ENCE TO SUPPORT BUSINESS GOALS OF A COMPANY

Maija Juvonen

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ABSTRACT

Tampereen ammattikorkeakoulu
Tampere University of Applied Sciences
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JUVONEN, MAIJA:

Development of Customer Service and Consumer Experience to Support Business Goals of a Company

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This bachelor's thesis was commissioned by Nokian Tyres plc with the purpose to develop customer service and consumer experience of SnapSkan service to support business goals of the company.

SnapSkan is a new, innovative tyre measurement service that aims to improve the road safety, and to increase the knowledge of consumers of the condition of their tyres. There are drivers in Finland and around the world who drive with unsafe tyres and are unaware of that.

Data used in this thesis was from the company conducted customer service survey and from a visit to the SnapSkan site by the author of the thesis. The research results show improvements that have been done already. The research conducted was both qualitative and quantitative in order to have a broader view of the current state of the customer service and consumer experience.

The author is pleased with the amount of information gathered and the results that came up with this process. Due to confidentiality reasons some gathered information is not published in this thesis report. For the discussion, there is an overview of the key points and a few recommendations for the company.

Key words: customer service, consumer experience, managing service quality, development

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1 INTRODUCTION

This bachelor's thesis is about developing customer service and consumer experience to support business goals. The author of the thesis has researched at what level SnapSkan's customer service and consumer experience are currently, and how the theoretical framework can be applied, and what effects there are on the subject. In the discussion section it is described how customer service and consumer experience can be improved.

SnapSkan is a tyre scanning service built in cooperation with Nokian Tyres and Vianor. Nokian Tyres plc is the commissioner of this thesis project.

In the beginning of the thesis, the author describes Nokian Tyres, Vianor and SnapSkan, what the companies are, and their products and their operations. Then there is a theoretical framework defining customer service and consumer experience, and reviewing how managing service quality and quality impact on the service. Practicalities and the significance for SnapSkan are described.

Customer service survey is reviewed as well in the thesis. Other research methods along with the survey were observation of promotors on site of SnapSkan and mystery shopping.

In the end of the thesis, the discussion section has a summary, and a few key points are mentioned. It also includes some recommendations for the commissioner.

2 NOKIAN TYRES, VIANOR AND SNAPSKAN

2.1 Nokian Tyres plc

Nokian Tyres plc is the most northern tyre manufacturer in the world. Nokian Tyres plc was founded in 1988 but the company has roots all the way from 1898, when Finnish Rubber Factory was established. Nokian Tyres' areas of expertise are tyres for demanding conditions, such as snow, forests and challenging driving conditions that vary according to the seasons. Their first winter tyre of the world was made 1934, called the Weather tyre. Nokian Tyres manufacture innovative tyres for passenger cars, trucks and heavy machinery, for forestry industries for example. Nokian Tyres develop their products with sustainable safety and environmental friendliness in mind through the tyre's entire life cycle. Nokian Tyres' stock is listed on the Nasdaq Helsinki. In 2016 the company had 4,400 employees and the net sales were approximately 1,4 billion euros.

Nokian Tyres' greatest market areas are Finland, Sweden, Norway, other Europe, Russia and CIS and North America. Nokian Tyres group includes the Vianor tyre retail chain, with wholesale and retail business in Nokian Tyre's primary markets. Nokian Heavy Tyres is also part of the group.

Nokian Tyres' passenger car tyres are developed and manufactured primarily in Finland, but the company has another factory in Vsevolozhsk, Russia for the aftermarket. Nokian Tyres is the market and price leader in the Nordic countries, Russia, and the CIS, and it is growing in the premium markets in Central Europe and North America. (Nokian Tyres Global website 2017)

Nokian Tyres has a broad selection of different types of tyres and their newest winter tyre is Hakkapeliitta 9 with new studding technology. Hakkapeliitta winter tyre collection has the longest history of all tyres that Nokian Tyres manufactures. Nokian tyres is a market leader with their winter tyres and they have a large department of research and development in order to stay on the top.



PICTURE 1. Hakkapeliitta 9 winter tyre, with new studding technology (Photo: Crasman Studio 2017)

Beside the winter tyres, Nokian Tyres has also all-season tyres and summer tyres for passenger cars. Their heavy machinery tyres are forerunners in special tyres for trucks and busses, forestry, agriculture, mining and tunneling, material handling and harbor, earth moving and road maintenance and on top of the list for all-terrain trucks and military vehicles. Heavy Tyres manufactures special tyres for many different kinds of vehicles.



PICTURE 2. Hakkapeliitta 9, Hakka Blue 2 and Forest king F2 (Photos: Crasman Studio 2017, 2016, 2014)

2.2 Vianor

Vianor is a tyre retail chain owned by Nokian Tyres plc. Vianor is concentrated on motoring and tyre services and keeps on growing as a retail chain. In March 2017, Vianor had 1,501 retail stores in 27 countries. There are over 90 stores in Finland and Vianor has stores all over from Helsinki to Kemijärvi. The name Vianor stems from Latin meaning “northern road” and this expresses the basic idea of Vianor being the expert of northern conditions, just like Nokian Tyres. Vianor is not only operating in Finland, but all over the world. Vianor has tyre outlets in the Nordic countries and Baltics, Europe and the United States of America.



PICTURE 3. Vianor outlet in Sarankulma, Tampere (Photo: Crasman Studio 2013)

Vianor has a wide range of tyres for passenger cars, vans, trucks and motorcycles. Vianor sells also other brands and not only Nokian Tyres, such as Michelin and Bridgestone. Vianor stores offer different kind of motoring related services as well, such as rims, batteries and shock absorbers. In addition to tyre and rim installation services, Vianor offers services through which people can check their steering angles, maintain air conditioning or have oils and shock absorbers changed.

Because there are seasons in the tyre industry, Vianor offers a tyre hotel service, meaning that people can leave their summer tyres to Vianor for the winter season for storage. Vianor takes care of the tyre hotel tyres, has them washed, stored and installed.

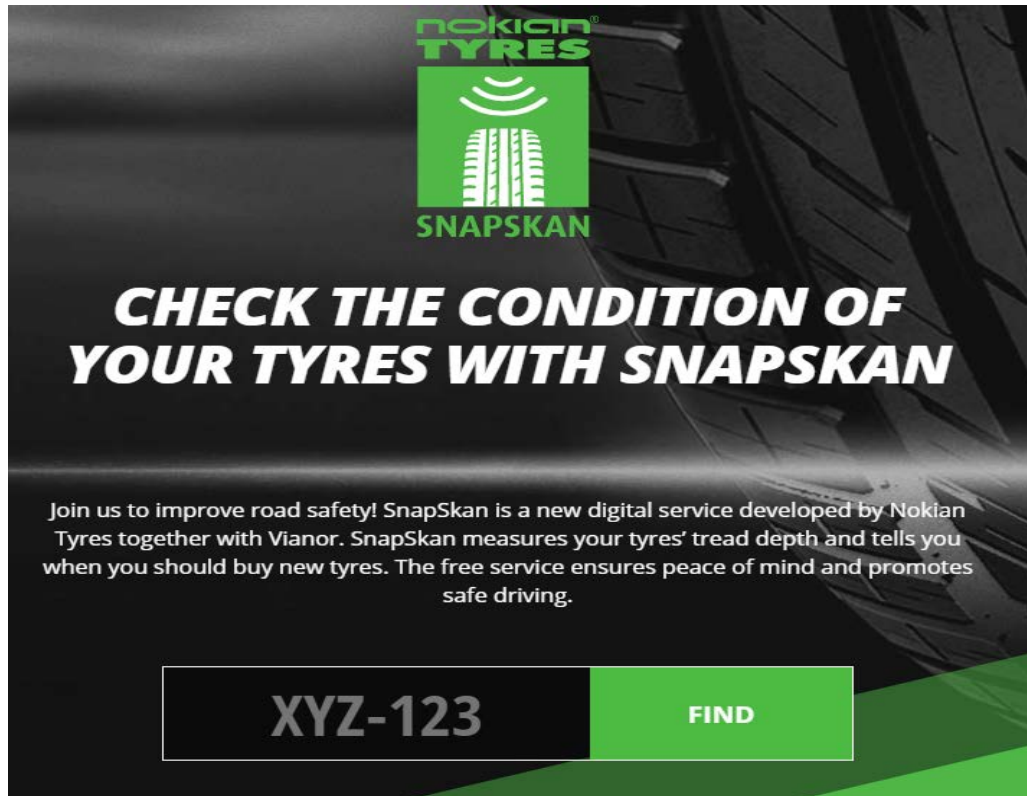
2.3 SnapSkan

SnapSkan is a tyre scanning, and information-based service developed by Nokian Tyres and Vianor in cooperation. SnapSkan has been developed in order to increase knowledge of the condition of the tyres consumers drive with and to improve road safety. The tyres are measured with laser technology based scanner that builds a three-dimensional model of the tyres. Sigma Vision has developed the laser technology used in SnapSkan. A computer then calculates how many treads there are and how deep the treads are. There is a camera taking a picture of the car's license plate, this is how SnapSkan identifies the car. The results of the scan are sent with secured connection into the service where the driver can ask for the tread information. The measurements and the license plates are brought together only when the owner of the car has given the permission to do so. The license plates that are not being asked for within 30 days, will be removed automatically from the system.



PICTURE 4. SnapSkan's drive over ramp (Photo: Crasman Studio 2016)

The consumers can order the tyre report via free text message or going through snapskan.fi website and entering the license plate number and then their email address (picture 5).



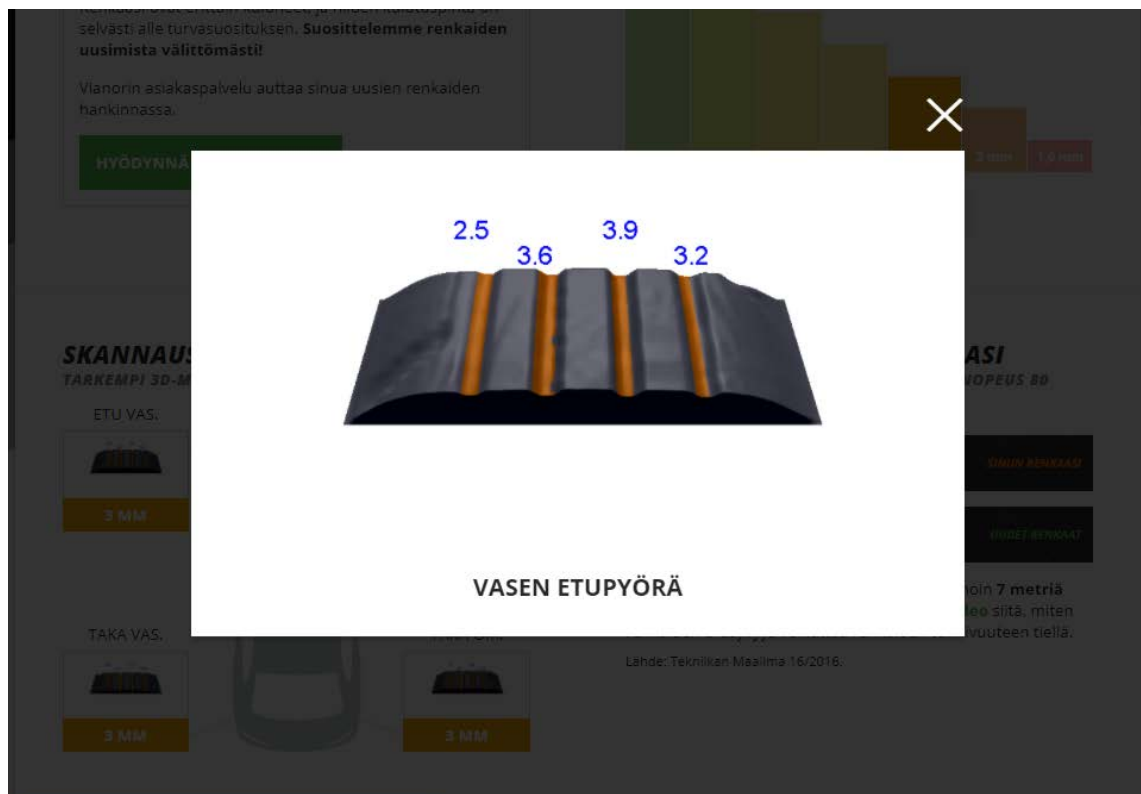
PICTURE 5. SnapScan activation screen

After the consumers have entered their license plate number and given the email address, or sent a text message they receive a reply including a link to the report. The tyre report will tell the consumers the depth of the treads in their tyres and give insight into when it would be the time to purchase a new set of tyres. On the report, there is a summary telling the consumer are the tyres worn out, and are the measured tread depths below the safety recommendations, in Finland the minimum legal level is 1.6 mm. The report demonstrates with animation the braking distance between the consumer's tyres and new tyres (picture 6). Below the summary these are the scan results per tyre, and when clicking one tyre, a detailed tyre scan of that particular tyre opens up (picture 7).

This report gives all the information consumers need about their tyres' condition, when considering road safety, in the authors' opinion the braking distance demonstrates this well. Consumers driving a car rarely know how worn their tyres are, and SnapScan wants to make this process easier. Sometimes, SnapScan is compared with going to the dentist, no one wants to go, but it has to be done.



PICTURE 6. SnapSkan Tyre report



PICTURE 7. One tyre's scan results

3 CUSTOMER SERVICE AND CONSUMER EXPERIENCE

This part of this thesis is about customer service and consumer experience, especially from the point of view of SnapSkan. These topics are relevant to the SnapSkan service and these fields offer potential to develop further SnapSkan.

3.1 Customer service

Customer service is a concept that most companies use to interact with their customers. Customer service has many forms such as an in-person interaction, a phone call, self-service systems, an email, and a chat for instance. In the following paragraphs, customer service is defined, and it is described, how customer service is done in practice, and what is the significance of customer service for SnapSkan.

3.1.1 Definition

There are many definitions for customer service. According to Lovelock and Wright, customer service is the provision of supplementary service by employees who are not specifically engaged in selling activities (Lovelock & Wright 2002, 200). On the other hand, customer service is the process of ensuring customer satisfaction with a product or service (Investopedia, n.d). These two definitions are different because of their perspective. Lovelock and Wright have defined customer service from the business point of view, when Investopedia definition is from the consumer point of view. One way of defining customer service is that customer service adds value for a product or service, and it includes all interactions between customers and service or product provider at the time of sale or thereafter.

As a former customer service employee, the author can relate the most to the definition of Oxford Dictionaries that customer service is the assistance and advice provided by a company to those who buy or use its products or services (Oxford Dictionaries, n.d). This definition includes, in author's opinion, all the aspects of the customer service. It exists for the customers, which means that satisfying the customers' needs is included, and yet it can be beneficial for the company in the form of sales opportunities.

3.1.2 Practicalities and managing service quality

Customer service is the place that consumers contact if they have any confusions, questions or concerns about a product or a service. This way the company gets valuable information about the consumers and the reasons why they are contacting the company along with valuable feedback. Customer service gives a company a possibility to maintain and develop the customer base, and get feedback from the customers. Nowadays, most of the businesses have outsourced their customer service for example to call-centre operatives because it is more cost efficient than running customer service internally in the company.

The responsibilities of the customer service depend on the company that is providing it. It can be simple, consumers ask about the deal they have made and the matter is sorted out, or it can be more complex, and the customer service advisor must handle multiple matters simultaneously, for example invoicing, contract renewals, new orders and cancellations.

Customer service is one way for the company, in this thesis for Nokian Tyres and Vianor, to gather information about consumer experiences and therefore consumer satisfaction. Service quality is a key element of ensuring consumer satisfaction.

Lovelock and Wright defined service quality as customer's long-term, cognitive evaluation of a company's service delivery (Lovelock & Wright 2002, 87). This is quite accurate when considering SnapSkan, more about the significance follows. Service quality is defined as an assessment of how well a delivered service meets with the customer's expectations. (BusinessDictionary, n.d). Customer expectations are discussed more later on in this thesis, but customer service is a broad concept, and very often there is something to improve. Managing service quality is one of those things that is rarely complete if ever.

Managing service quality has a great significance, because SnapSkan is a unique and new service. In order to be able to manage and improve service quality it is important to remember recommendations that Kotler and Keller have listed. They have mentioned some of the pioneers conducting academic service research like Berry, Parasuraman and Zeithaml offering ten lessons they think are essential for improving service quality. Listening, reliability, basic service, service design, recovery, surprising customers, fair play, teamwork, employee research and servant leadership are all on the list of mentioned ten

recommendations. (Berry, Parasuraman & Zeithaml 2003, 61-82; Kotler & Keller 2016, 441.) More details of the relevant factors for this thesis are mentioned in the following.

Listening to the customer is of great value for services. Companies that offer services should have understanding what the customers really want and this happens only through continuous learning about the expectations and opinions of consumers and future consumers. It is a long-term process that rarely is complete, considering the market is continuously changing and consumers along with it. In the modern society, technology plays a major role in consumers' daily life and this is one way of gathering information and listening to the consumers. Customer service plays a major role in listening to customers, many consumers contact the company if they have something to complain about, and this usually means that there are matters to learn about what the company had not taken into account or has not yet developed. Based on the author's experiences from the customer service, the customers want to be heard, and listening to them is a key to understanding them if they let you to do so, depending on the customers of course. When the customers are listened to, they say things they do not even realize to be useful information for the customer advisor and for the company.

Reliability is the single most important dimension of service quality and must be a service priority (Kotler & Keller 2016, 441). If the consumers cannot trust the service a company is providing for them, why would they make the purchase or consume its services in the first place. Reliability is very important for every company, and there is no reason to doubt it. For example, calling to the customer service and asking about one's invoice, the customer automatically shows an amount of trust by sharing personal information and relying on the fact that the company does not take advantage of the information. Consumers rely that SnapScan gives the right results to them and that the information given is reliable and does not misguide them. This is key to success in the case of SnapScan.

Companies that offer services should deliver at least the basic service. Meaning that they do what they are supposed to do, listen to customers, keep promises, keep customers informed, use common sense and are determined to deliver value to customers. When the basic service is covered, the company can add value for the customers that will improve the service experience and increase customer satisfaction. If the company does not reach the basic service, it is hard to develop and increase customer satisfaction. As a simple example, a company promotes that it will return to the call of a customer at the latest the

next business day, but it does not. This company failed with its service promise to the customer and decreased satisfaction and most likely, the customer has to return to the company, this increases the amount of effort the customer has to do. This does not impress the consumer nor increase the credibility of the company.

Even though reliability is the most important dimension in meeting customers' service expectations, process dimensions such as assurance, responsiveness and empathy are most important in exceeding customers' expectations (Kotler & Keller 2016, 441). For instance surprising customers with grace, understanding, uncommon quickness, courtesy, commitment and competence, these are uncommon in the same package, so the customer will be positively surprised. This is important in increasing customer satisfaction when exceeding their expectations might have not been on the same level as the service was in reality. More about consumer expectations and experience later on this thesis.

With service design, service providers should take a holistic view of the service while managing all the many details (Kotler & Keller 2016, 441). Holistic view is a comprehensive view based on the knowledge of the nature, functions, and properties of the components, their interactions, and their relationship in the big picture. Holistic marketing recognizes and reconciles the scope and complexity of marketing activities. In the holistic marketing perspective, relationship marketing includes customers, and integrated marketing includes communications, products and services, channels and price. Holistic view and holistic marketing are a very suitable way of thinking for customer service, because it is a complex whole (figure 1).

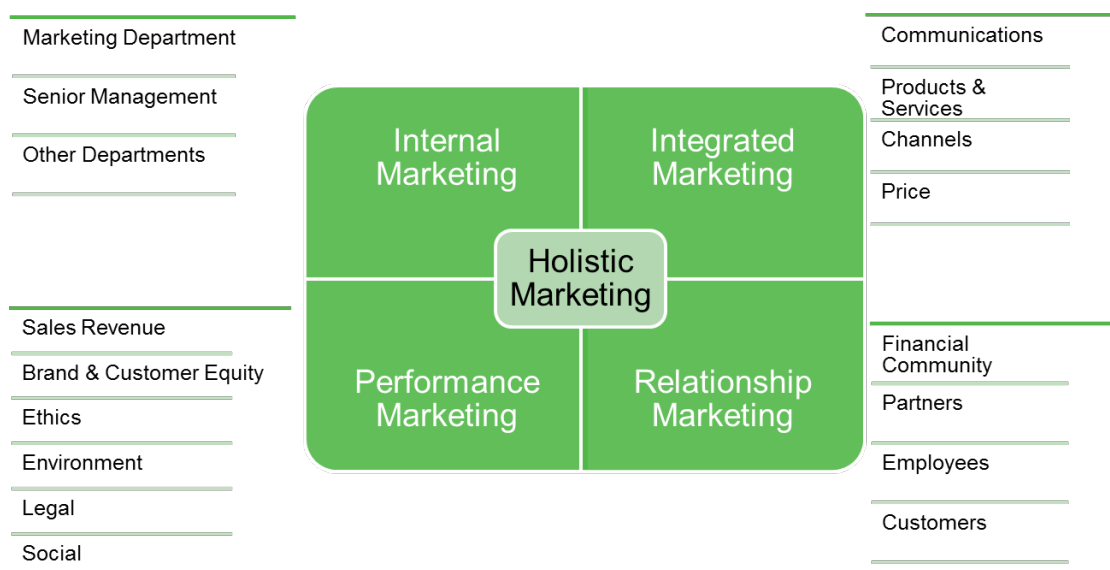


FIGURE 1. Holistic marketing (Kotler & Keller 2016, 43)

The holistic marketing concept is based on development, design, and implementation of marketing programs, processes and activities that recognize both their breadth and interdependencies. The concept acknowledges that everything matters in marketing and that a broad integrated perspective is usually necessary. (Kotler & Keller 2016, 43.)

Customer service is an important element for the company's success. Teamwork and employee research enable large organizations to deliver service with attentiveness and care through improving employee motivation and capabilities. Employee research reveals usually why there are problems in the service, how the problems occur, and what can be done to solve them. When conducting an employee research, the company has to offer for the employees a possibility to answer anonymously in order to receive truthfully answers and feedback, when employees do not want to share their experiences or opinions with their own name.

3.1.3 Significance for SnapSkan

Customer service for SnapSkan is very significant, because the service is very new and every customer is important. Customer interface and performance are of great importance in SnapSkan's customer service. More details about SnapSkan's customer service and the significance can be found in appendix 1.

3.2 Consumer experience

Consumer experience is a popular subject when it comes to the conversations how to improve almost any aspect of the company's operations. When increasing sales, customer base, and marketing, companies are working around consumer experience, what does it mean, how can it be enhanced, how can it be measured and so on. In this chapter, the author of the thesis concentrates on consumer experience and its very essence.

3.2.1 Definition

Consumer experience is a broad definition, and it can be interpreted through many different aspects. This means there is not only one definition that gives an ultimate and all-embracing image. Customer satisfaction and its general terms were discussed before but nowadays consumer experience is based more and more on the emotions and images that arise in an encounter between the consumer and the company. Consumer experience is a sum of personal interpretations, which is why companies cannot fully influence on the image the consumer forms. Companies have their opinions what kind of experiences they want to create for the consumers. Functional, financial and numerous multidimensional factors have an effect on how the consumer experience forms (Toivanen 2015, 13).

Berry (2002, 86) has defined consumer experience as the matters that consumer verifies and identifies or notices missing, and that have impact in forming the consumer experience, and consumer experience is the result of these hints. The hints can be divided into two parts; functional and emotional.

One definition that the author of the thesis thinks can be quite accurate is that the consumer experience consists of; when the preconception, perception, expectations and the experiences of a consumer are combined and forming a feeling of some sort. No matter what the definition is, it is still up to the consumers how they experience the products and services they are using. Consumers build up their opinions and so their current and previous experiences with the company, their values, wants and needs have influence on the opinions. Companies can only do their best to fulfil consumers' expectations in order to gain good consumer experience.

3.2.2 Practicalities and quality

In practise, companies cannot completely control consumers' experiences but can effect on them. The experience is a combination of consumers' values, prejudices, perceptions and expectations, and more. Managing the consumer experience is a challenge for companies. Consumers form service expectations from many sources such as past experiences, word of mouth, and marketing communications. (Kotler & Keller 2016, 440.) In consumers' mind, they are comparing the perceived and expected service. Satisfaction

reflects a person's judgement of products' or services' perceived performance in relation to expectations. (Kotler & Keller 2016, 33). This means that in case the perceived service falls below the expected service, consumers are disappointed. If the perceived value is same as the expected one, the consumers are satisfied, and if the perceived value exceeds the expectations the consumers are surprised and delighted.

Consumers usually select the offering of a product or service based on how they perceive them to deliver the most value, the sum of tangible and intangible benefits and costs. Value is a central marketing concept and is primarily a combination of quality, service and price, called a customer value triad. Value perceptions increase with quality and service but decreases with price. (Kotler & Keller 2016, 33.) For example, a taxi service, if you pay more than you would pay for a regular taxi, you expect better, premium quality service compared to the regular taxi service. Another example is a product like headphones. Bose brand headphones are known for their high quality sound and high quality equipment, you pay for a pair of Bluetooth headphones roughly 400€, when changing the brand you can get a pair of headphones with less than a hundred euros, but the quality most likely is nothing like the Bose headphones would be.

Consumers nowadays have higher education and they are more informed than before, and information is in their fingertips because of the internet. Therefore, they have the tools to find out about claims of companies and search for better alternatives. That told, how the consumers ultimately make their choices, which service to purchase? Consumers tend to value maximizers, within the bounds of search costs and limited knowledge, mobility and income. Consumers choose for whatever reason the offer they believe will deliver the highest value and act on it (figure 2). In case the offer lives up to the expectations, consumers will more likely to purchase again.

The customer perceived value is the difference between the possible customer's evaluation of all the benefits and costs of an offering and the perceived alternatives. The total customer cost is the perceived bundle of costs the customer expects to encounter in evaluating, obtaining, using and disposing the given market offering, including monetary, time, energy and psychological costs. The total customer benefit is the perceived value of the bundle of economic, functional and psychological benefits the customer expects from the given offering because of the products, services, personnel and image. (Kotler & Keller 2016, 151.)

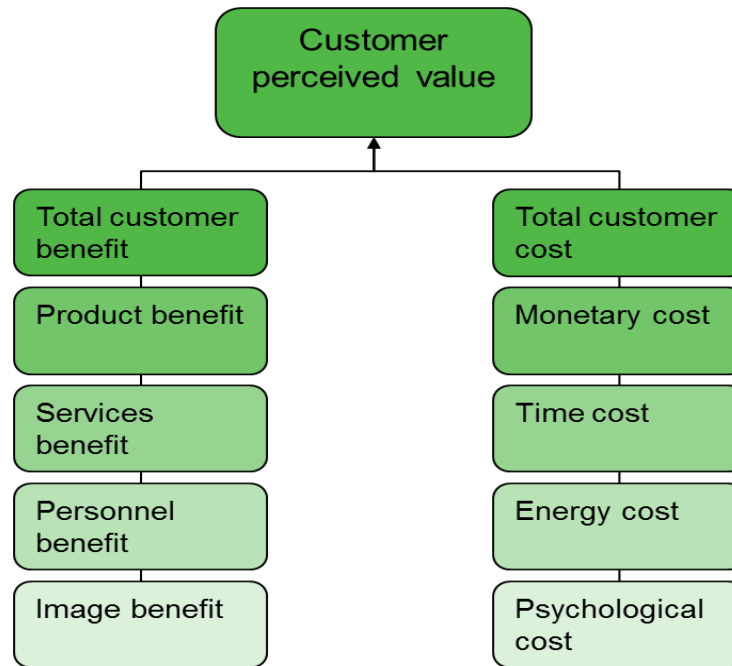


FIGURE 2. Customer perceived value (Kotler & Keller 2016, 150)

Customer perceived value framework is useful in many situations and gives multiple insights. It implies that in case the seller is at a disadvantage, there are two options: either to increase the total customer benefit or decrease the total customer cost. The former stands for strengthening or augmenting the economical, functional and psychological benefits of the offering's image, product, personnel and service. The latter on the other hand calls for reducing the price or cost of ownership and maintenance, simplifying the ordering and delivery process, or absorbing some buyer risk by offering a warranty, to reduce the buyer's costs.

When searching, purchasing and using a service, consumers can incur a variety of non-financial expenses that represent time, effort, and discomfort, and these have an impact on the experience. Time expenditures are intrinsic in the service delivery process. Time can be wasted simply by waiting for the service. This is an opportunity cost involved because consumers could have spent the time in another way. Time expenditure is one of the four nonfinancial expenses. Physical effort is the second. This can include discomfort, fatigue, and at times even injury that might incur during visiting a company's self-service location or visiting a service factory. Third expense is a psychological burden, like mental effort, feelings of imperfection, or even fear might accompany the tasks of evaluating service alternatives, making a selection and using the chosen service. Services that are high in experience and credibility attributes, might create psychological

burdens like anxiety, because the service outcomes are more difficult to evaluate (Love-lock & Wright 2002, 173). Last, but not least are the sensory burdens that can relate to unpleasant sensations affecting any of the human senses. They might include noise, unpleasant smells, drafts, excessive heat or cold, uncomfortable seating, lighting or visually unappealing environments and unpleasant tastes. With the SnapSkan's service in mind, environment, seeing and hearing senses matter.

There are some common intervening factors that impact on the consumers' purchase decisions, even the perceived values and experiences are supporting making the purchase. Other persons having an influence on consumer's decision, with their attitudes towards the product or service in question, is a common issue. There are two matters, one is the intensity of the other person's negative attitude towards the preferred alternative, and the other is the consumer's motivation to comply with the other person's wishes. (Kotler & Keller 2016, 199.) The purchase decision on the other hand is an evaluation phase where the consumer forms preferences among the alternatives and brands, and the consumer may form an intention to buy the most preferred brand. When executing a purchase intention, the consumer might make as many as five pre conclusions before the final choice. The pre conclusions can be about the brand, dealer, quantity, timing and payment method. These decisions help the consumers to make the final purchase decision with the best match to their needs and expectations.

The author of the thesis has written about managing and improving the service quality, but what is quality and who defines it? Quality is a perceived value by the customers and how well the experiences reach, exceed or go with the expected quality. Lovelock and Wright defined quality as the degree to which a service satisfies customers, by meeting their needs, wants and expectations (2002). In the writer's opinion, this is very accurate but so is the following, too. Christian Grönroos described that it should always be remembered, what counts in quality as it is perceived by the customers (Grönroos 2000, 63). He described also that the perceived service quality is to a large extent interpreted subjectively and the process is more complicated. Quality is not only the experiences of the quality dimensions that determine how the quality is perceived, as good, neutral or poor. Considering manufacturers of goods, like Nokian Tyres, with providing services, like SnapSkan, it might be more appropriate to talk about the total perceived quality. Figure 3 illustrates this.

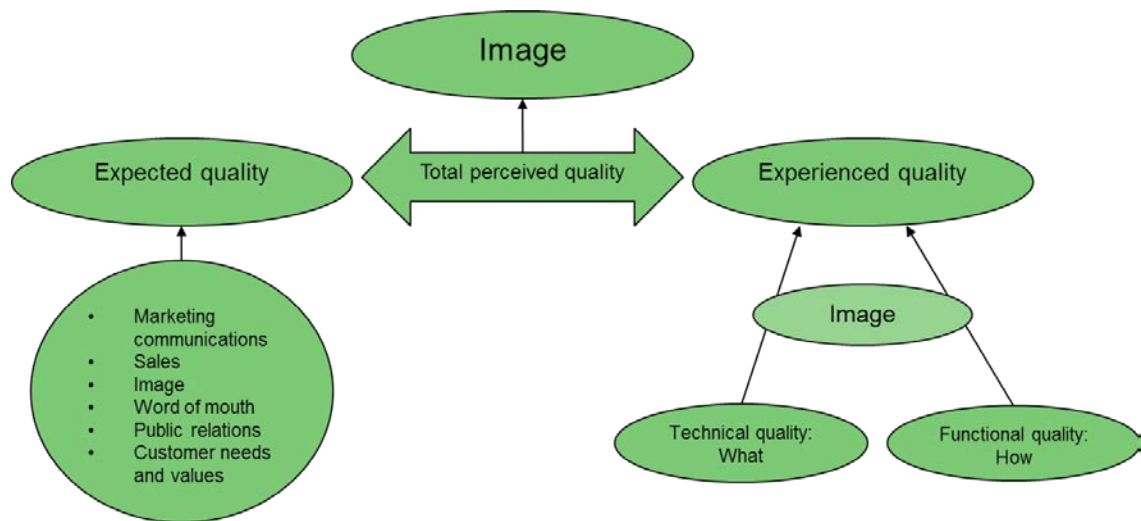


FIGURE 3. Total perceived quality (Grönroos 2000, 163)

All the aspects of quality are important to the company but the far most important is always the quality the consumer experiences.

When comparing the expectations with the perceived performance of a product or service, the result of that comparison is the consumer satisfaction. The feelings of pleasure or disappointment indicate how satisfied the consumer is. According to Grönroos (2007, 89), the consumer first perceives the quality of the features of a physical product, and only then, perhaps taking into account price and other sacrifice-related issues, finds out whether, or not he or she is satisfied with the product. A person consuming a service first perceives the quality of the dimensions of the service, and only then, again perhaps considering other issues as well, is either satisfied or not with the quality of that service. A logical analysis clearly shows that a perception of service quality comes first, followed by a perception of satisfaction or dissatisfaction with this quality (Grönroos 2007, 89). Keeping this in mind, one can come to some sort of conclusion that the consumers sometimes ignore the level of satisfaction with services.

What about the expectations of quality? It may often be the best to use no comparison standard at all, but simply to measure consumers' experiences of various quality attributes. Customers' expectations do theoretically form an important factor influencing the perceived service quality both on an episode level, service encounter, and on a relationship level. In order to understand how the quality is perceived in an ongoing relationship, one has to understand how expectations develop throughout the relationship. (Grönroos

2007, 99.) This is significant for a few reasons. First, it is critical to understand that consumers may not expect the same aspects of quality at a later stage in the relationship as they do in the beginning, and why this change has taken place. Second, one has to know the inherent mechanisms of the dynamics of expectations to be able to manage expectations (Grönroos 2007, 99). Therefore, it is advisable to do consumer surveys, employee researches and other forms of data collection on a regular basis. If the company is not aware or does not conduct surveys of any kind, it does not get the crucial information about its consumers' expectations from anywhere, and that makes the foreseeing and improvement of consumer experiences very difficult if not impossible.

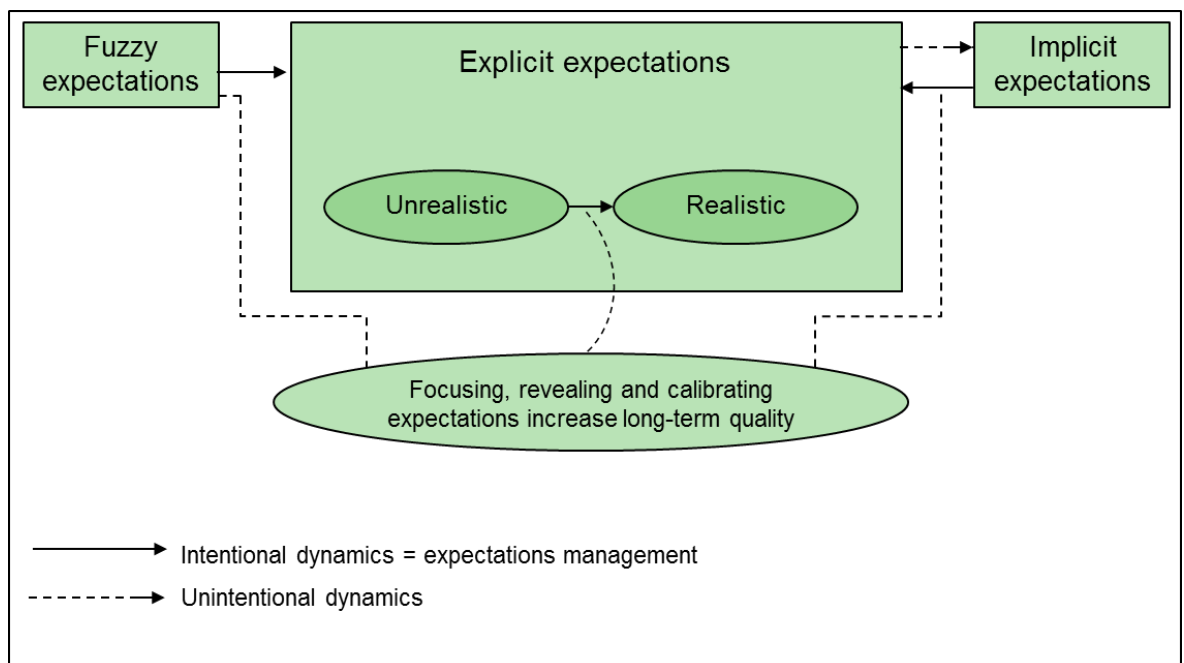


FIGURE 4. The dynamics of expectations (Grönroos 2007, 99; original J.Ojasalo 1999, 97))

Sometimes, the perceived or experienced service is not consistent with the expected service. In this case, there is a gap between the perceived service and the expected service, and this results in negatively confirmed quality and a quality problem, negative word of mouth, a negative impact on corporate or local image and lost business. (Grönroos 2007, 118.) The gap can also be positive, which leads to a positively confirmed quality or over quality. This so called gap analysis model is a possibility for management to find out where reasons for quality problems lie and discover appropriate ways to come over these gaps. The gap analysis is a straightforward and appropriate way of identifying inconsistencies between service provider and consumer perceptions of service performance. Addressing these gaps is a logical basis for developing service in which expectations and

experiences consistently meet. This way the likelihood of good perceived service quality will increase. The full gap analysis model is illustrated in figure 5.

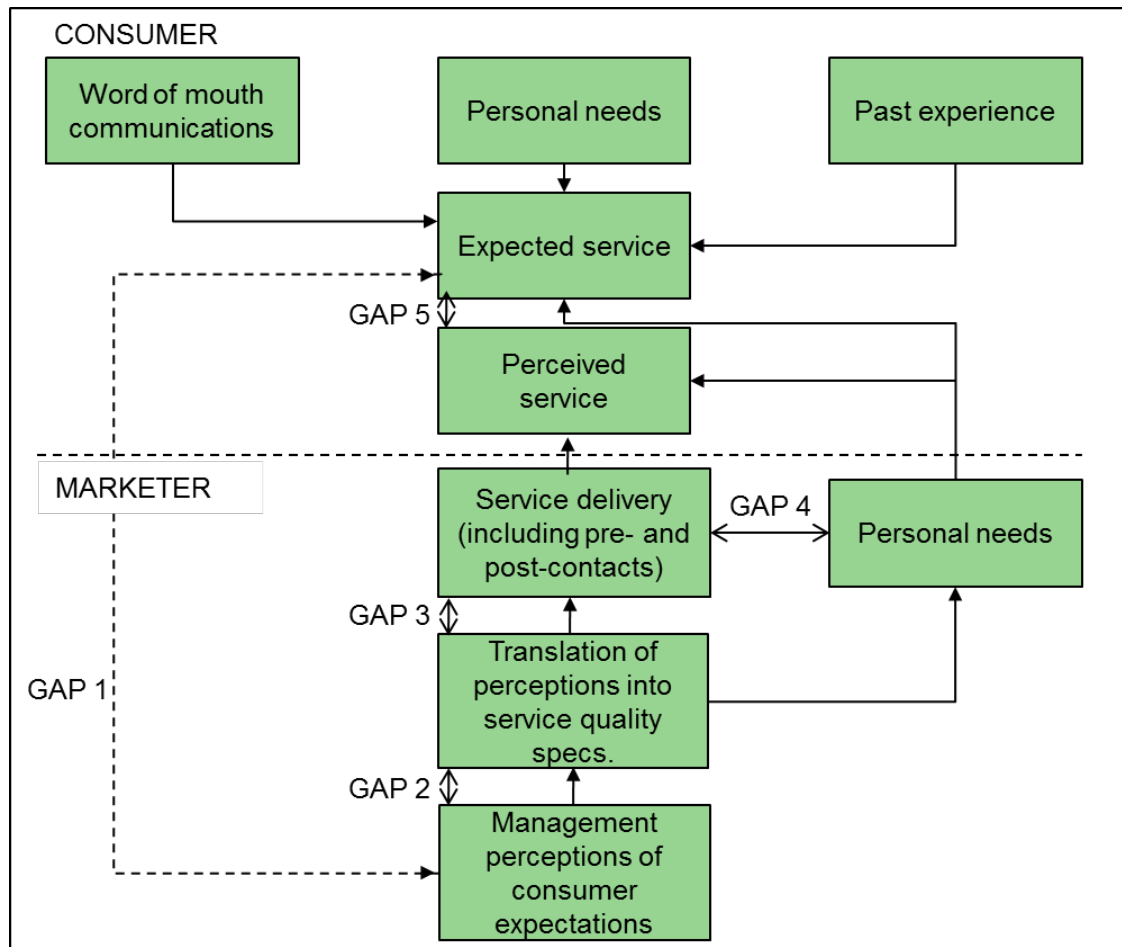


FIGURE 5. The gap analysis model of service quality (Parasuraman, Zeithaml & Berry 1988, 36)

From SnapSkan's point of view, this gap analysis model is very useful since there might be lots to improve because the service is a new one.

Consumer experience is important for SnapSkan team working on improving the experience and the quality the consumers perceive. SnapSkan team has taken actions based on the received previous consumer feedbacks. For example, the scale of tyre tread depths on the report has been changed from six steps with >8mm, to 3mm tread depths to seven steps from >7m, to 1,6mm depths. 1,6mm is the legal limit for tyre tread depths in Finland. The change can be seen in figure 6.

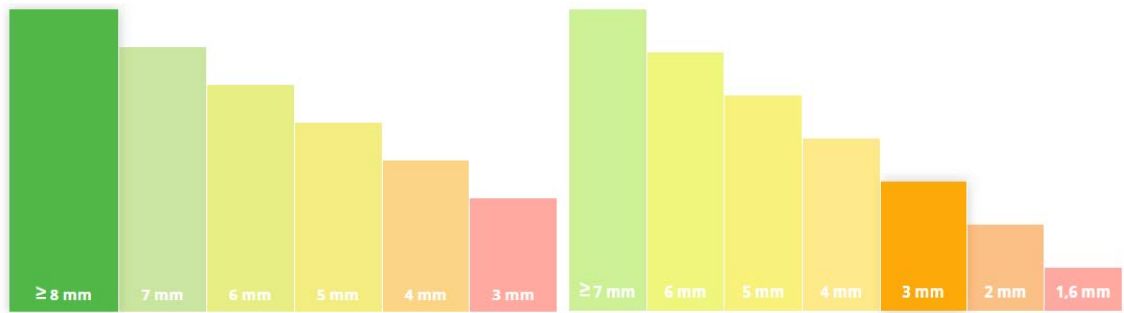


FIGURE 6. Change in tread depth scale, before and after (SnapSkan demo pages 2016, 2017)

The scale shows the consumer the median of the average of the tread depths. In addition, the consumer can still see the detailed depths of each tyre. This change gives a more precise idea about their tyres' condition than the first scale.

3.2.3 Significance for SnapSkan

Consumer experience and its management is very significant for SnapSkan. It is a broad concept that takes time to manage and improve it properly. Consumer experience and the functionality of the service is developing constantly and progress has been made significantly since the beginning. More details about SnapSkan's consumer experience and the significance is in appendix 2.

4 RESEARCH ON CUSTOMER SERVICE AND CONSUMER EXPERIENCE OF SNAPSKAN

In this chapter, the author tells about the conducted research and the used methods for this thesis. Research was done mainly through the customer service survey and through observing the promoters in Qpark in Turku. The research was both qualitative, and quantitative, this way an amount of quality improvement ideas and the statistics was received.

Call center and customer service

In the beginning of the thesis project, the customer service provider was changed. This change was very good, and the feedback has been positive. This research has been conducted during the end of the summer term and during the tyre changing season, and there are some challenges trying to increase the knowledge of condition of the tyres that are anyway going to be changed soon. Therefore scanning the summer tyres and taking note of those results can be difficult to turn into a new sale because the summer tyres are again a topic in the next spring and now it is starting to be more about winter tyres. This has been a topic for the SnapSkan team for the scanning process and customer service point of views. The scanner development is an ongoing process due to weather conditions trying to interfere with the report results. This has been a top priority in order to be able to provide the consumers trustworthy and clear scan results on their reports. Luckily, the team working around SnapSkan has been able to overcome these difficulties and ensure that the consumers will not receive false reports. This resulted that the customer service does not receive consumers' calls about that the consumers have not been able to read the report or needed assistance in interpreting.

The customer service in a call center received a list of those consumers who had activated the service and asked for an offer and those who only had activated the service. With activating the service, the author means ordering the tyre report. Activating the service means that the consumer has given permission to receive marketing material and can be contacted by the service provider, Nokian Tyres and Vianor. This way Nokian Tyres and Vianor have the consumers' phone number, licence plate number and email address, depending how the consumers activated the service. If they did it with a text message, the service provider has their phone number, and if they activated online using their email, the service provider has either or both. This way the customer service can now reach the

consumers and conduct a consumer survey, and at the same time get consumer feedback and try to finish sales.

The customer service is open every day from 7 am to 9 pm. It is important to the consumers that the service provider is always available. Inside the Vianor's customer service is a specialized team for SnapSkan. More details and statistics are shown in appendix 3.

Consumer survey

The consumer survey the customer service has been conducting has a few questions that give something to think about for the company in the light of the statistics as well. The consumers have been asked the questions below during the phone call:

- Did you experience the use of the service effortless?
- Did you experience the service increasing the road safety?
- Did the report lead to action?
 - purchased tyres from Vianor
 - purchased tyres elsewhere
 - no actions taken
- Would you recommend the service to your friends and family?
- Do you have any feedback, development ideas, or free word for the service?

Question of did the consumer notice a special offer on the tyre report was added to the question set later on. Nokian Tyres and Vianor came up with these questions because they give perspective how the consumers have experienced the service and how did they perceive it. For example, the consumers who believe the service increases the road safety but do not recommend it to their friends would not buy tyres either. Why answers have often been found in the free word section.

The promoters were located next to the elevator in Qpark Stockmann in Turku. Their job was to increase knowledge of the service and introduce the tyre report from example phones to the consumers who did not want right away to order a report without knowing how it works. Promoters also had flyers to give out to consumers who did not want to order the report there, but wanted to think about it first. The promoters also helped the consumers to read the report if they had problems with it. They kept a list of consumers per day how many activated the service, and how many did not. Some answered why they did not. More information is in appendix 4.

The author of the thesis visited Turku just in mystery shopping mind, because the promoters did not know who she was and thought of her as just one of the consumers. So the researcher conducted a little research while going there and seeing what kind of promotion work they are doing because she was a little concerned based on the data she had received.

She went there with her friend and his twins, two 3-year-old boys. She had told her friend about SnapSkan and the thesis project and he was very excited to test the service. When they arrived to Qpark there was the drive over ramp and next to it on the co-driver's side there was an illuminated advertisement board saying that our tyres were just scanned and measured. Instantly the friend asked the researcher what about the results and how can he get them. Of course she knew the answer but a consumer would not know, a point to take into consideration for improvement. They walked their way to the elevators where two promoters were. To the researcher's surprise, the other one was sitting on the ground using her phone, not looking like a promoter on a job at all. The other one was standing next to a neon sign promoting SnapSkan and she was wearing Nokian Tyres vest that showed instantly that she was working and was related to the subject. There was no communication of any kind when the researcher and his friend walked past them into the elevator. When they came back and paid for the parking the girl on the ground had stood up and advised with the paying machine. Then the other one opened her mouth and asked if they had noticed that their tyres were measured when they had entered the parking garage.

The thesis writer never told them who she was, and she thinks this was good because now they really know what happens there and not only receive the data they are sending. She was very disappointed to the service they got and she felt bad. No wonder why the data and results were nothing close what she personally expected. The experience was very uninspiring, and it felt like if she wanted any information out of those two she would have needed to ask and ask over again. They showed almost no initiative at all and the researcher, as a consumer who they were supposed to delight and impress, did the work. It felt like promoters assumed that they knew what SnapSkan is all about and gave zero effort introducing the service for them, they did not show any introduction or demo of the report. Very disappointing she would say, and the friend thought nothing different.

Lesson learned and many improvement ideas came up, more about those in the research results and discussion sections.

Research results

The research results from the data of the consumer survey were telling simple facts. Results show that consumers would recommend SnapSkan, experienced the service being easy to use and increasing road safety. These results show that SnapSkan delivers what it was created for, increasing knowledge and road safety with easy access for consumers. The results tell that there are still some improvements to do, but overall experience and perception of the consumers is very good. The response rate of the survey was in total 48%. The rate is enough to be able to analyse and make conclusions. Here are some of the research results illustrated. There were surveys conducted with both customer services, and these numbers are total of those two combined.

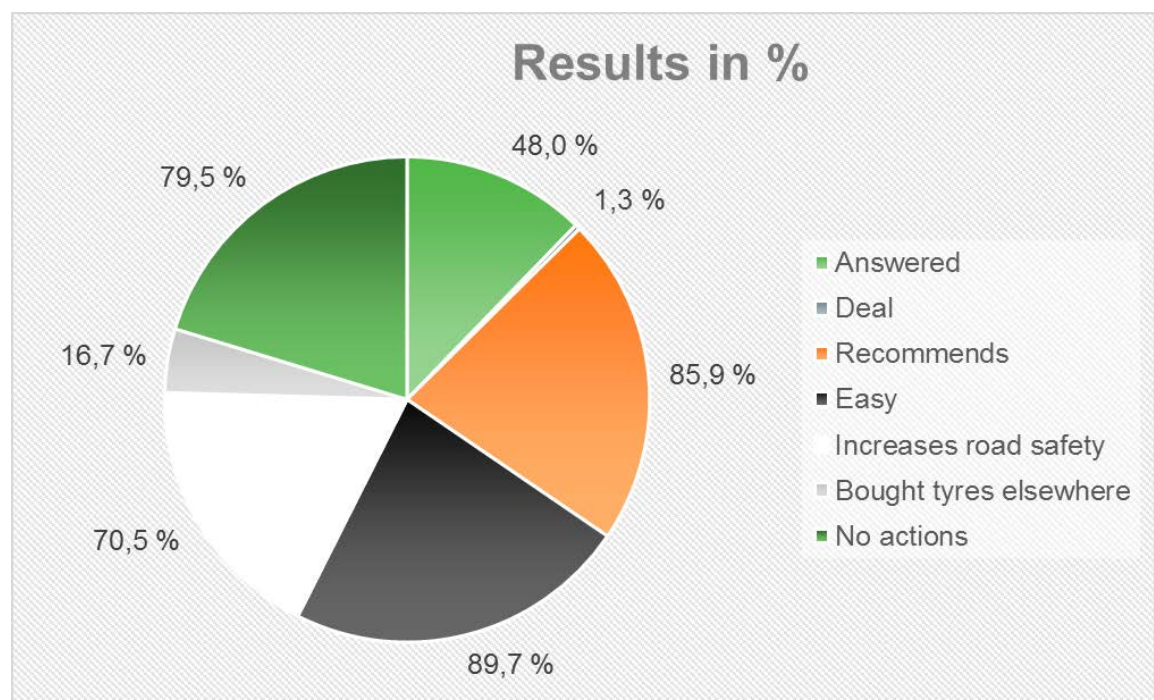


FIGURE 7. Research results in percentages

The consumers that were reached and willing to answer the questions had a positive mindset about the SnapSkan concept. 85,9% percent of the consumers would recommend the service to their friends and 70,5% experienced that the service increases road safety. These numbers are very good and inform that the service is seen to be useful. 89,7% percent thought that the service was easy to use which is important since there are various

of people on the road. When the service is easy to use, it decreases the step on using the service. It is important that consumers experience this about SnapSkan because the more people use it, the more people know about their tyres' condition and this increases road safety, but only if the consumers do something with the knowledge. As the research shows only 18% purchased new tyres when they had received the tyre report. This number does not tell how many of the consumers who had scanned their tyres actually needed new tyres.

There are some differences between the results of the two surveys. The first survey showed much concern about the trustworthy of the service and consumers gave much feedback on it. At first, there were consumers who had experienced that the results were unreliable, few had wrong results and some thought SnapSkan as a sales trick. For example, there was a consumer with new tyres and the tyre report was saying that the tyres were worn already, even though the tyre in question never had been over 7mm depth and that was because of the tyre model. This was a technology issue that needed to be solved, in order to increase the reliability of the service and the consumer experience towards more positive image. There were a few similar cases before the ramp's technology and algorithm were improved. Now there is no such a problem anymore and the amount of untrustworthy feedback has decreased substantially.

Now the results of the scans are more reliable and there was not feedback of the same sort in the second survey. How the consumers drive over the ramp, are their tyres in mud, or are they driving fast has an impact on the results. The results show though that the amount of negative feedback has decreased and the feedback is either positive or constructive. Figure 8 illustrates how the two surveys differed with the negative feedback within a half a year. Basically in this case the negative feedback is that the consumer does not experience the service easy, increasing road safety or would not recommend it.

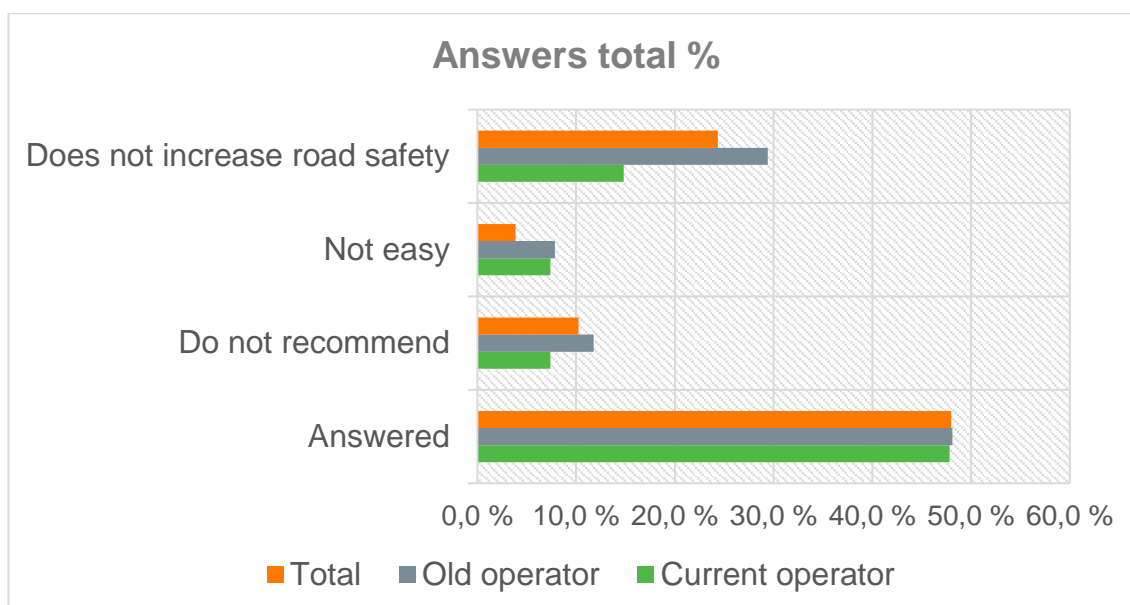


FIGURE 8. Decrease of negative results

The current customer service's data shows that the level of consumers who experienced that the service did not increase road safety has decreased almost by double. This is the most significant change when considering the negative feedback beside the not recommending rate. These results show that there has been development on the consumer experience and with the service, which is great that in half a year the results are easy to see.

The positive improvements are also easy to be seen from the results. Figure 9 shows that consumers' experience that SnapSkan increases road safety has increased and so has the rate of those who would recommend the service. These increases are delightful to see and notice that the service has been successfully improved. The figure does not show the steady growth of sold tyres but those numbers are increasing as well. The service is serving its purpose of increasing knowledge of the tyre conditions and therefore road safety. 2,2% of the consumers who have ordered the tyre report have purchased new tyres and there is 6,9% purchase rate of all customers. The detailed information is in appendix 4.

The consumers had the opportunity during the survey to give free word if they wanted. SnapSkan is still a work in progress but the consumers overall gave positive feedback and gave tangible proposals from their points of view what could be done differently to make the experience more satisfying. For example, in the Qpark where the light boards should be located or how the instructions should be placed. The feedback was not always positive, and the measuring the business case, the cumulative measurement accuracy is currently 79%. This means that 87% of the consumers who order the report either receive

the correct report, and the remaining percentage does not due to a measurement error of some sort. For example, the consumer has driven over the ramp awry or the ramp's sensors have been cleaned when the consumer has driven over, and then there can be any number of tyre on the report from one to four. In that kind of cases the consumer will not receive the report. These consumers have wondered why they have not received their report, and sometimes the customer service cannot tell the absolute reason why, the cause could be any tiny detail this far, and those are being improved all the time.

When there are issues to be improved in order to increase customer satisfaction and to improve the consumer experience and quality, there are always those consumers who have their reports and are very pleased. More than half of the consumers have been positively surprised with SnapSkan, according to the free word sections. It is delightful for the researcher to find out that most of the consumers are very pleased with the service.

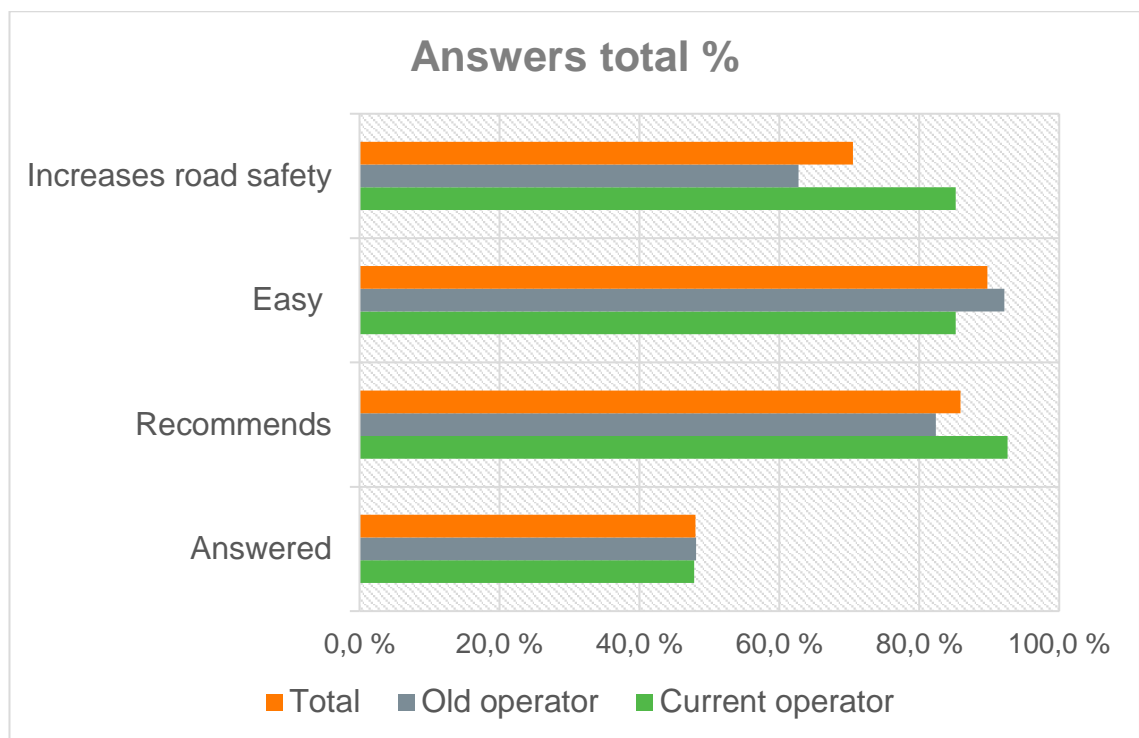


FIGURE 9. Positive results of improvement

With dedicated development of the service, these results are going to improve even further. The advancement SnapSkan has done is significant and worth the effort. One factor that is going to improve along with the service is the sales rates. There are more about the improvement suggestions in the discussion chapter.

5 DISCUSSION

Along with this bachelor's thesis, SnapSkan has developed as a service. The equipment, algorithms, codes and marketing have been improved and the consumers have noticed it. The customer service had great changes and so did the consumer experience. The amount, how well the delivered service met up the consumers' expectations, has improved, and so the level of service quality has increased. When the author visited the current customer service, she noticed that the recommendations mentioned earlier about managing service quality are almost complete. In the customer service, the servants are listening to the consumer, they are reliable, and offering at least the basic service. Even though the customer service tasks are new to the employees, the level of professionalism they have is very good, and they are able to surprize the consumers by having the competence, courtesy and commitment the consumers want, even the consumers do not realize it.

The consumer experience that the consumers have of the SnapSkan service is significant. They receive knowledge of their tyres they most likely did not have before they used the service. The author believes that the more the service is developing, the higher satisfaction the consumers get. The consumer experience is dependent on the information accuracy for the consumers and the perception they have before using the service. Positive word of mouth is important to SnapSkan because the consumers share their experiences often with their friends, family, and co-workers, no matter of their own experience. When consumers' experience is positive, and they share it, it is more likely that people they have shared the information with, will try and use the service as well.

The research showed the development of the consumers' experience this far, in a quite short period of time. The author believes that the service is possible to be developed even more and in future, the service will become profitable. Recommendations that the author has for the commissioner are to be found in appendix 5.

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